Washington State Energy Strategy Update/ 2003 Biennial Energy Report

Proposed Revised Guiding Principles (8/27/02)

I. New Resources In meeting future energy needs, Washington should:

1. Pursue cost-effective energy policies that minimize environmental damage ~~including the reduction of greenhouse gas emissions~~. This means that load serving entities should

    a. ~~first~~ acquire ~~all~~ cost-effective conservation,

    b. ~~second, acquire~~ *cultivate* resources that diversify that our energy supply including both new technologies for the more efficient use of conventional fuels (e.g. microturbines, fuel cells, etc.) and renewable resources (e.g., wind, geothermal, hydro, biomass, and solar technologies) ~~where a modest initial investment can help develop cost-effective resources~~.

    c. ~~third,~~ acquire conventional resources such as high efficiency natural gas combustion turbines and combined heat and power systems.

    d. support upgrading and expansion of the transmission system where needed to improve system reliability and enhance access to low cost resources.

2. Encourage the development of new resources by moderating market and capital risk through clear up front regulations and standards.

3. Encourage comprehensive resource planning by all load-serving entities.

II Markets and Economy: Washington can enhance its cost-based electricity system by:

1. *Protecting consumer's access to low cost and reliable energy, with policies that provide clear, enforceable rules for all market participants and* creat~~eing~~ opportunities for market forces *and competition* to ~~produce competition and~~ lower prices ~~through policies that provide clear, enforceable rules for all market participants~~.

2. Keeping the "obligation to serve" for utilities as the foundation for a well functioning wholesale electricity markets

3. Promoting and encouraging industries that will make Washington State a leader in [clean] energy technologies.

III. Methods: In developing energy policy, Washington policy makers should:

1. Use data and analysis based on sound scientific and economic principles to inform energy policy.

2. Respond creatively ~~and prospectively~~ to technological, political, social, and environmental changes affecting the use and supply of energy.

3. Evaluate all ~~electricity~~ *energy* policies *for their effect on* ~~by how well they improve~~ the safety, security and reliability of the system.

IV. Political and moral values underlying electricity policy: Washington should

1. Foster mutually beneficial *energy* relationships with nearby states and provinces ~~to help accomplish common energy goals~~.

2. ~~Maintain~~ *Support* programs that en*able*~~sure that all~~ citizens~~, including those~~ on limited incomes~~,~~ *to* have access to affordable electricity and natural gas.

3. Lead by example with energy efficiency in state and local government operations.
4. Provide opportunity for participation by the state's citizens in the Strategy and provide information and education to enhance understanding.